

ICI and ICI Global Welcome EU Consideration of T+1 Settlement Cycle

Brussels, Belgium; December 15, 2023—Today, Michael Pedroni, Head of ICI Global, released the following statement on the European Securities Market Authority's (ESMA) call for evidence on shortening the settlement cycle:

"ICI and ICI Global support European Union (EU) authorities shortening the settlement cycle from T+2 to T+1. This will incentivise market participants to modernise their processes through greater use of technology, automation, and standardisation. The end result will be increased efficiency and cost-effectiveness and will better serve investors.

"We call on EU authorities to decide in early 2024 to commit to moving to T+1 settlement, and to communicate a clear 24-30 month path to implementation so that policymakers, stakeholders and market participants can get started. Acting expeditiously will help minimise the duration of misalignment with the North American markets. EU regulators should also coordinate with other jurisdictions and establish dedicated dialogues with the UK and Switzerland to facilitate a globally aligned move to T+1.

"We urge the EU not to pursue moving to T+0 settlement at this time, as this represents a substantially more complex undertaking than moving to T+1, would misalign settlement cycles worldwide, and would reduce the efficiency of EU capital markets.

"We remain committed to supporting the transition to a T+1 settlement across EU capital markets, building on our experience in leading industry efforts to prepare for the move to T+1 in the North American markets."

Read ICI's full submission to ESMA [here](#).
